

Section 10

IRS Form 990 Financial Statements

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REQUIREMENTS SURROUNDING IRS FORM 990

Requirement #1-B (from Section 1): *The organization must use the same policies, procedures, and methods for all accounting, including cost allocation, and for all financial reporting, including grant reporting to State funding agencies, annual reporting to the Tennessee Secretary of State, Division of Charitable Solicitations (including IRS Form 990), and general purpose financial reporting.*

Requirement #1-D (from Section 1): *The organization must be in compliance with all applicable federal, state, and local laws and regulations including laws and regulations regarding government funding policies, IRS regulations regarding an organization’s nonprofit tax exempt status, and State of Tennessee regulations regarding registration and annual reporting with the Secretary of State, Division of Charitable Solicitations.*

IRS Form 990 includes the following financial statements:

Part I - Statement of Revenue, Expenses, and Changes in Net Assets (equivalent to the GAAP Statement of Activities)

Part II - Statement of Functional Expenses (equivalent to the GAAP Statement of Functional Expenses)

Part IV - Balance Sheets (equivalent to the GAAP Statement of Financial Position)

(IRS Form 990 does not include a statement of cash flows)

The financial information required for IRS Form 990 financial statements varies in only a few ways from the information required for GAAP statements. The chart of accounts in Section 3 is cross referenced to IRS Form 990 line items and functional categories and to the illustrative

GAAP financial statements. The chart of accounts identifies the line items that are treated differently by IRS Form 990 and GAAP.

1. The value of **donated services and use of facilities** reported as contributed revenue and expense in your GAAP statement of activities and statement of functional expenses cannot be reported as revenue and expense in IRS Form 990's Part I, Statement of Revenue, Expenses, and Changes in Net Assets or Part II, Statement of Functional Expenses. In IRS Form 990, the value of these items may be reported in line 82.
2. The value of **net unrealized gains or losses on investments** reported with total revenues and total expenses in your GAAP statement of activities cannot be reported in IRS Form 990's line 12, Total revenue or line 17, Total expenses. In IRS Form 990, the net amount of these items are reported in line 20, Other changes in net assets or fund balances.
3. Note that IRS Form 990, Parts IV-A and IV-B must be completed for reconciliation of revenues and expenses per audited financial statements with revenues and expenses per IRS Form 990. This includes items 1 and 2 above.
4. GAAP and IRS Form 990 both require all not-for-profits to summarize the functional expense categories of program, management and general, and fundraising in the statement of activities (Part I in IRS Form 990). However, GAAP requires only voluntary health and welfare organizations to present functional expenses in a matrix with object line items. IRS Form 990, on the other hand, requires every IRS section 501(c)(3) and (4) not-for-profit organization to complete Part II, which is a matrix presentation of functional and object expenses. In addition, Part III of IRS Form 990 calls for a description of the program services to which the organization devoted major funds. It is a way for not-for-profit organizations to summarize their accomplishments.

Clearly, it is important to keep detailed records of functional expenses just as you keep detailed records of object line-item expenses.

Following are illustrative examples of IRS Form 990, Parts I through VII, using financial information from the financial statements in Section 8. The Ratio Analysis of IRS Form 990 is not a part of IRS Form 990. This analysis is provided to assist agencies in identifying financial ratios which can be used in evaluating the effectiveness and efficiency of the agency's operations.

IRS FORM 990
Part I
Statement of Revenue, Expenses and Changes in Net Assets

Example 10a

					Revenue	990 Line No.	Line as % of Total	If Line not Zero, See Instr.
1	Contributions, gifts, grants, & similar amounts received:							
1a	Direct public support			\$ 204,153			29.3%	
1b	Indirect public support			\$ 18,500			2.6%	
1c	Government contributions (grants)			\$ 395,951			56.8%	
1d	Total (add lines 1a through 1c)			\$ 618,604	1d		88.7%	Att. Sched.
2	Program service revenue (from Part VII, line 93)			71,101	2		10.2%	
3	Membership dues and assessments			n/a	3		0.0%	See Instr.
4	Interest on savings and temporary cash investments			7,423	4		1.1%	
5	Dividends and interest from securities			-	5		0.0%	
6a	Gross rents			n/a				
6b	Less: Rental expenses			n/a				
6c	Net rental income (loss)			n/a	6c		0.0%	
7	Other investment income			n/a	7		0.0%	Describe
		(A) Securities	(B) Other					
8a	Gross amount from sale of assets other than inventory	\$ -	\$ -					
8b	Less: Cost or other basis and sales expense	-	-					
c+d	Gain (loss)	\$ -	\$ -	-	8d		0.0%	Att. Sched.
9	Special events and activities:							
9a	Gross revenue (not including \$_____ of contributions reported on line 1a)			-				
9b	Less: Direct expenses other than fundraising expenses			n/a				
9c	Net income or (loss) from special events			-	9c		0.0%	Att. Sched.
10a	Gross sales less returns and allowances			n/a				
10b	Less: Cost of goods sold			n/a				
10c	Gross profit (loss)			n/a	10c		0.0%	Att. Sched.
11	Other revenue (from Part VII, line 103)			-	11		0.0%	Att. Sched.
12	Total revenue (add lines 1d, 2-5, 6c, 7, 8d, 9c, 10c, & 11)			\$ 697,128	12		100.0%	
13	Program services (from line 44, column (B))			\$ 561,947	13		86.1%	
14	Management and general (from line 44, column (C))			83,668	14		12.8%	
15	Fundraising (from line 44, column (D))			7,484	15		1.1%	
16	Payments to affiliates			n/a	16		0.0%	Att. Sched.
17	Total expenses (add lines 16 and 44, column (A))			\$ 653,099	17		100.0%	
18	Excess (deficit) for the year (subtract line 17 from line 12)			\$ 44,029	18			
19	Net assets or fund balances at beginning of year (from line 73, column (A))			296,716	19			
20	Other changes in net assets or fund balances (*)			-	20			Att. Expln.
21	Net assets or fund balances at end of year (add lines 18, 19, and 20)			\$ 340,745	21			
Note: Form 990 will only match GAAP report if these are zero:								
(*)	Line 20 includes unrealized gains (losses) of			\$ -				
82	Donated services and use of facilities (not reported in line 1a)			\$ 13,000				

IRS FORM 990

Example 10b

Part II

Statement of Functional Expenses

		Total (A)	Program Services (B)	Management & General (C)	Fundraising (D)	Line as % of Total	Payroll (lines 25-29) as % of Total	Payroll line as % of Payroll
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	\$ 6,246	\$ 6,246	n/a	n/a	1.0%		
23	Specific assistance to individuals (attach schedule)	5,432	5,432	n/a	n/a	0.8%		
24	Benefits paid to or for members (attach schedule)	n/a	n/a	n/a	n/a	n/a		
25	Compensation of officers, directors, etc.	115,000	77,366	33,451	4,183	17.6%	17.6%	24.1%
26	Other salaries and wages	270,000	264,748	5,252	-	41.4%	41.4%	56.7%
27	Pension plan contributions	28,491	25,485	2,713	293	4.4%	4.4%	6.0%
28	Other employee benefits	24,421	21,844	2,326	251	3.7%	3.7%	5.1%
29	Payroll taxes	38,666	34,587	3,682	397	5.9%	5.9%	8.1%
30	Professional fundraising fees	-	n/a	n/a	-	0.0%	73.0%	100.0%
31	Accounting fees	11,564	-	11,564	-	1.8%		
32	Legal fees	-	-	-	-	0.0%		
33	Supplies	37,514	33,416	3,989	109	5.7%		
34	Telephone	6,456	5,576	794	86	1.0%		
35	Postage and shipping	2,690	1,929	275	486	0.4%		
36	Occupancy	13,183	11,386	1,622	175	2.0%		
37	Equipment rental and maintenance	11,445	10,524	831	90	1.8%		
38	Printing and publications	22,268	15,695	5,634	939	3.4%		
39	Travel	9,254	9,254	-	-	1.4%		
40	Conferences, conventions, and meetings	4,587	1,905	2,672	10	0.7%		
41	Interest	-	-	-	-	0.0%		
42	Depreciation, depletion, etc. (attach schedule)	19,740	17,049	2,429	262	3.0%		
43	Other - insurance	10,854	9,374	1,336	144	1.7%		
43	Other - membership dues	1,275	511	761	3	0.2%		
43	Other - staff development	4,183	2,672	1,496	15	0.6%		
43	Other - other professional fees	2,345	2,025	289	31	0.4%		
43	Other - contract temporary help	3,487	3,487	-	-	0.5%		
43	Other expenses	3,998	1,436	2,552	10	0.6%		
44	Total functional expenses (add lines 22 through 43)	\$ 653,099	\$ 561,947	\$ 83,668	\$ 7,484	100.0%		
	As % of total	100.0%	86.0%	12.8%	1.1%			
			(Totals for columns (B) - (D) are carried to lines 13 to 15)					

IRS FORM 990
Part III
Statement of Program Service Accomplishments

Example 10c

		From GAAP Report	Less Donated Services & Use of Facilities	Report in Part III	As % of Total	Grants & Allocations (line 22)
a	Program A	\$ 386,120	\$ 13,000	\$ 373,120	66.4%	\$ -
b	Program B	108,826	-	108,826	19.4%	-
c	Program C	56,358	-	56,358	10.0%	-
d	Program D	23,643	-	23,643	4.2%	-
e	Other program services	n/a	n/a	n/a	n/a	n/a
f	Total (add lines a through e)	\$ 574,947	\$ 13,000	\$ 561,947	100.0%	\$ -
(1) Disclose program related donated services and use of facilities on line 82 and in Part III:			(1)	(2)		(3)
	Donated professional services	\$ 13,000				
	Donated services-other (non-GAAP)	40,000				
	Use of donated facilities and utilities	-				
	Total	\$ 53,000				
(2) Total reported in Part III, line f should equal line 44, column (B)						
(3) Report detail in Part III, lines a through e. Total should equal line 22, column (A).						
Illustrative program service statistics:						
		Reported in Part III	Units of Service	Number of Service Units Provided	Cost per Unit of Service	
a	Program A	\$ 373,120	Persons benefited	110	\$ 3,392	
b	Program B	\$ 108,826	Persons benefited	43	\$ 2,531	
c	Program C	\$ 56,358	n/a	n/a	n/a	
d	Program D	\$ 23,643	n/a	n/a	n/a	
e	Other program services	n/a	n/a	n/a	n/a	

IRS FORM 990
Part IV
Balance Sheets

Example 10d

	Assets			Beginning of Year (Column A)	End of Year (Column B)	990 Line No.	Line as % of Total	If Line not Zero, See Instr.
45	Cash - noninterest-bearing			\$ 14,700	\$ 23,722	45	5.3%	
46	Savings & temporary cash investments			95,000	55,000	46	12.2%	
47a	Accounts receivable	47a:	\$ 13,789					
47b	Less: Allowance for doubtful accounts	47b:	1,103	7,262	12,686	47c	2.8%	
48a	Pledges receivable	48a:	-					
48b	Less: Allowance for doubtful pledges	48b:	-	4,800	-	48c	0.0%	
49	Grants receivable			7,047	57,996	49	12.9%	
50	Receivables from officers, directors, trustees & employees			-	-	50	0.0%	Att. sched.
51a	Other notes & loans receivable	51a:	-					Att. sched.
51b	Less: Allowance for doubtful notes & loans	52b:	-	-	-	51c	0.0%	
52	Inventories for sale or use			4,687	3,852	52	0.8%	
53	Prepaid expenses & deferred charges			6,489	7,398	53	1.6%	
54	Investments - securities			-	40,000	54	8.9%	Att. sched.
55a	Investments - land, buildings, & equipment : basis	55a:	n/a					
55b	Less: Accumulated depreciation	55b:	n/a	n/a	n/a	55c	0.0%	Att. sched.
56	Investments - other			n/a	n/a	56	0.0%	Att. sched.
57a	Land, buildings & equipment : basis	57a:	360,359					
57b	Less: Accumulated depreciation	57b:	110,397	269,702	249,962	57c	55.5%	Att. sched.
58	Other assets			1,143	-	58	0.0%	Describe
59	Total assets (add lines 45 through 58) (must equal line 74)			\$ 410,830	\$ 450,616	59	100.0%	
Liabilities								
60	Accounts payable & accrued expenses			\$ 24,565	\$ 22,187	60	20.2%	
61	Grants payable			n/a	n/a	61	0.0%	
62	Support & revenue designated for future periods			15,870	17,850	62	16.2%	
63	Loans from officers, directors, trustees & employees			n/a	n/a	63	0.0%	Att. sched.
64a	Tax-exempt bond liabilities			n/a	n/a	64a	0.0%	Att. sched.
64b	Mortgages & other notes payable			73,679	69,834	64b	63.6%	Att. sched.
65	Other liabilities			n/a	n/a	65	0.0%	Describe
66	Total liabilities (add lines 60 through 65)			\$ 114,114	\$ 109,871	66	100.0%	
Net Assets								
67	Unrestricted			\$ 296,716	\$ 314,388	67	92.3%	
68	Temporarily restricted			-	26,357	68	7.7%	
69	Permanently restricted (Form 990 lines 70 through 72 not applicable)			-	-	69	0.0%	
73	Total net assets (add lines 67-69) (Column (A) must equal line 19 & (B) must equal line 21)			\$ 296,716	\$ 340,745	73	100.0%	
74	Total liabilities & net assets (add lines 66 and 73)			\$ 410,830	\$ 450,616	74		

Part IV-A: Reconciliation of Revenue per Audited Financial Statements with Revenue per Return			Part IV-B: Reconciliation of Expenses per Audited Financial Statements with Expenses per Return		
a	Total revenue, gains, & other support per audited financial statements	\$ 710,128	a	Total expenses & losses per audited financial statements	
b	Amounts included on line "a" above but not on line 12, Form 990:		b	Amounts included on line "a" above but not on line 17, Form 990:	
	(1) Net unrealized gains on investments	\$ -		(1) Donated services & use of facilities	\$ 13,000
	(2) Donated services & use of facilities	13,000		(2) Prior year adjustments reported on line 20, Form 990	-
	(3) Recoveries of prior year grants	n/a		(3) Losses reported on line 20, Form 990	-
	(4) Other (specify)	n/a		(4) Other (specify)	-
	Add amounts on lines 1 through 4	\$ 13,000		Add amounts on lines 1 through 4	
c	Line "a" above minus line b	\$ 697,128	c	Line "a" above minus line b)	
d	Amounts included on line 12, Form 990 but not on line "a" above:		d	Amounts included on line 17, Form 990 but not on line "a" above:	
	(1) Investment expenses not included on line 6b, Form 990	\$ -		(1) Investment expenses not included on line 6b, Form 990	\$ -
	(2) Other specify:	-		(2) Other specify:	-
	Add amounts on lines 1 and 2	\$ -		(3) Add amounts on lines 1 and 2	
e	Total revenue per line 12, Form 990 (line "c" above plus line d)	\$ 697,128	e	Total expenses per line 17, Form 990 (line "c" above plus line d)	

Example 10e

\$ 666,099

\$ 13,000

\$ 653,099

\$ -

\$ 653,099

IRS FORM 990
Part VII
Analysis of Income-Producing Activities

Example 10f

		Unrelated Business Income		Excluded by Section 512, 513, or 514		Related or Exempt Function Income (e)
		Business Code (a)	Amount (b)	Exclusion Code (c)	Amount (d)	
93	Program service revenue:					
a	Other program service fees		\$ -			\$ -
b			-			71,101
c			-			
d			-			
e			-			
f	Medicare/Medicaid payments		-			
g	Fees & contracts from government agencies		-			
94	Membership dues & assessments		-		\$ -	
95	Interest on savings & temporary cash investments		-		7,423	
96	Dividends & interest from securities		-		-	
97	Net rental income or (loss) from real estate:					
a	Debt-financed property		-		-	
b	Not debt-financed property		-		-	
98	Net rental income or (loss) from personal property		-		-	
99	Other investment income		-		-	
100	Gain (loss) from sale of assets other than inventory		-		-	
101	Net income from special fundraising events		-		-	
102	Gross profit or (loss) from sales of inventory		-		-	
a	Other revenue		-		-	
b			-			
c			-			
d			-			
e			-			
104	Subtotal (add columns (b)(d) and (e))		\$ -	n/a	\$ 7,423	\$ 71,101
105	Total (add line 104, columns (b), (d), and (e))		\$ -			\$ 78,524
Note: (line 105 plus line 1d, Part I, should equal the amount on line 12, Part I)						\$ 697,128

Illustrative Ratio Analysis of IRS Form 990 for the Fiscal Year Ended June 30, 19X2

Example 10g

For Internal Use in a Nonprofit Financial Self-Assessment

	Ratio Name	Numerator		Denominator		Current Year Ratio	Prior Year Ratio
		Form 990		Form 990			
		Line Nos.	Amount	Line Nos.	Amount		
	Formula	→	(A)		(B)	(C=A/B)	(D=Prior)
1	Program service expense as % of total revenue	13	\$ 561,947	12	\$ 697,128	80.6%	
2	Program service as % of total expenses	13	\$ 561,947	44/A	\$ 653,099	86.0%	
3	Fundraising costs as % of contributions	15	\$ 7,484	1a	\$ 204,153	3.7%	
4	Management & general as % of total expenses	14	\$ 83,668	44/A	\$ 653,099	12.8%	
5	Interest as % of cash plus savings	4	\$ 7,423	45+46	\$ 78,722	9.4%	
6	Income from securities as a % of total securities	5	\$ -	54	\$ 40,000	0.0%	
7	Income from investments in LB&E	6c	n/a	55c	n/a	n/a	
8	Gain (loss) on sale of securities	8c/sec.	\$ -	8a/sec.	\$ -	0.0%	
9	Gain (loss) on sale of other assets	8c/other	\$ -	8a/other	\$ -	0.0%	
10	Total investment income as % of total investments	5+6c+7+8c	\$ -	54+55c+56	\$ 40,000	0.0%	
11	Gross profit (loss) on sales	10c	n/a	10a	n/a	n/a	
12	Officers compensation as % of total expenses	25/A	\$ 115,000	44/A	\$ 653,099	17.6%	
13	Total compensation as % of total expenses	S:25 to 29	\$ 476,578	44/A	\$ 653,099	73.0%	
14	Accounting fees as % of total expenses	31/A	\$ 11,564	44/A	\$ 653,099	1.8%	
15	Legal fees as % of total expenses	32/A	\$ -	44/A	\$ 653,099	0.0%	
16	Occupancy expense as % of total expenses	36/A	\$ 13,183	44/A	\$ 653,099	2.0%	
17	Travel expense as % of total expenses	39/A	\$ 9,254	44/A	\$ 653,099	1.4%	
18	Interest expense as % of total liabilities	41/A	\$ -	66	\$ 109,871	0.0%	
19	Accumulated depreciation as % of buildings and equipment	57b	\$ 110,397	57a	\$ 360,359	30.6%	
20	Cash as % of total expenses	45	\$ 23,722	44/A	\$ 653,099	3.6%	
21	Cash as % of total assets	45	\$ -	59	\$ 450,616	5.3%	
22	Notes & loans receivable as % of total assets	50+51	\$ -	59	\$ 450,616	0.0%	
23	Available net assets as % of total expenses	67+68-57c	\$ 90,783	44/A	\$ 653,099	13.9%	
24	Other revenue as % of total revenue	11	\$ -	12	\$ 697,128	0.0%	
25	Other expenses as % of total expenses	43/A	\$ 26,142	44/A	\$ 653,099	4.0%	
26	Other assets as % of total assets	58	\$ -	59	\$ 450,616	0.0%	
27	Government support/revenue as % of total revenue	1c+93g	\$ 395,951	12	\$ 697,128	56.8%	

Example 10g

Variance (D-C)

Taking IRS Form 990 Seriously

by Wilson C. Levis

In 1991, Baruch College's Nonprofit Quality Reporting Project determined that there is a significant problem with the accuracy and completeness of IRS Form 990s (The Report of the Project was published, in full, in June, 1991 *Philanthropy Monthly*.)

The Project also found that CEOs and boards of nonprofit 501(c)(3) and 501(c)(4) organizations do not take the federal/state IRS Form 990 seriously. In most cases, the external auditors fill them out, and the CEOs sign them — often without reviewing them. Nearly all the nonprofit managers contacted were not aware that there is a problem with their Form 990s. Further, they do not see the need to improve their Form 990 "tax returns" or "regulatory reports" since they have not had any complaints from either IRS or those state regulators that require copies of Form 990s.

On May 5, 1992, IRS and state charity officials and private sector representatives met at IRS in Washington, D.C. to discuss why it is very much in the interest of nonprofit organizations to take the federal/state Form 990 more seriously.

First, there are *legal* reasons. Filing *accurate and complete* Form 990s with IRS and state charity offices is the law. Filing inaccurate or incomplete Form 990s is virtually the same as not filing at all. The IRS may assess penalties against senior managers and trustees for inaccurate and incomplete Form 990s. And, in many states nonprofits can be banned from soliciting contributions if their Form 990s and state reports are inaccurate or incomplete. Even though IRS seldom assesses such penalties and states rarely ban nonprofits from soliciting, nonprofits that file inaccurate or incomplete 990s are not in compliance with the law.

However, the law is only one reason for taking Form 990 more seriously.

Second, there are the *ethical considerations related to public accountability*. Most nonprofit

sector standards and codes of ethics require full accountability and financial disclosure to the public. Form 990 is the federal/state uniform, national, annual, public accountability report. Form 990 is the *only* report that nonprofits are *required* to make available for public inspection on request. Conversely, there are no legal requirements that audited financial statements be made available to anyone who asks. Further, many nonprofits are small and do not have audited financial statements, but they are still required to prepare and provide access to Form 990s.

Third, Form 990 is the *primary source of data* about the nonprofit sector at the national, state and local levels. In fact, there is no other comprehensive source of uniform, comparable data.

Fourth, the most important reason for nonprofits to be taking Form 990 seriously is the fact that *decision making* based on Form 990 data is increasing rapidly.

1. Federal and state governments use Form 990 data when *setting policies and developing legislation* affecting the nonprofit sector.
2. *INDEPENDENT SECTOR* uses Form 990 data to support its case for national policy and legislative issues.
3. *INDEPENDENT SECTOR's National Center for Charitable Statistics* now has classified all nonprofits by its newly developed National Taxonomy of Exempt Entities and publishes uniform, national Form 990 data statistics by subsectors. These data are used by researchers and others concerned with the size and scope of the nonprofit field.

Similarly, the Financial Officers Group of community foundations designed its *industry indicators* survey based on Form 990.

IRS, state charity officials, and *INDEPENDENT SECTOR* are encouraging *researchers and scholars* to make greater use of Form 990 data.

6. Copies of Form 990s have long been available to the public through IRS. However, since 1988, federal law also requires nonprofits to make their 990s *available for inspection by anyone on request*.
7. More states are requiring that all fundraising appeal literature state that *copies of Form 990s and state reports are available on request* -- from the nonprofits and from the state agencies.
8. Last year, the Pennsylvania state government established an 800 number the public can use for obtaining data from Form 990s. Pennsylvania law now requires that the 800 number be printed on solicitation materials.
9. Sixty-six percent of the nonprofits surveyed in Phase 1 of the Project indicated that *grantmakers are now asking for Form 990s*. A grantmaker contacted by Project staff recently surveyed five other funders regarding their use of Form 990s. Four of the six funders including his own foundation ask for 990s and two indicated that Form 990 data had influenced grant decisions in the last year.
10. One state charity official reports that *even banks and credit reporting agencies* are beginning to find Form 990s useful.

It is important to understand that Form 990s are intended to be used together with -- not in lieu of -- annual reports and audited financial statements when available. Further, Form 990 is designed mostly for charitable organizations that get a large proportion of income from contributions. For many nonprofits, contributions are a very small proportion of income or are not a part of income at all.

In summary, taking Form 990 seriously is an integral part of:

- taking the law seriously;
- taking ethics and public accountability seriously;
- taking industry statistics seriously;
- taking nonprofit policy making seriously;
- taking the media and public credibility seriously;
- taking donors' use of Form 990 seriously.

Nonprofit sector leaders that take one or more of these things seriously will have a special interest in getting their nonprofit constituents to take Form 990 more seriously.

The fundraising profession should take Form 990 seriously because of its special interest in ethics, accountability, and the increasing use of Form 990 by donors and the media.

Auditors and financial officers of nonprofits have professional as well as operational responsibilities to assure that the Form 990s of the nonprofits they serve are accurate and complete.

Individuals and organizations interested in taking Form 990 more seriously can do a number of things.

1. They can make sure the Form 990s of organizations with which they are associated are correct and complete.
2. They can put discussion of all aspects of Form 990 preparation *and use* on the agendas of committees dealing with the media, public disclosure, stewardship, legislation, standards and ethics, professional education, data bases on nonprofits, industry statistics, research, accounting issues and software, paperwork simplification and reduction, etc.
3. They can help implement the comprehensive set of recommendations outlined in the Quality Reporting Project's report titled, "Enhancing the Quality of Public Reporting by Nonprofit Organizations" published in *Philanthropy Monthly*, June, 1991.
4. To get a free copy of the 1991 report or learn how to participate in Baruch College's Quality Reporting Project activities, they can call or write Bill Levis, Nonprofit Management Group, Department of Public Administration, Baruch College/CUNY, 17 Lexington Avenue, Box 336, New York, NY, 10010, 212/447-3659.

Wilson C. Levis is Project Manager, Nonprofit Quality Reporting Project, Nonprofit Management Group, Department of Public Administration, Baruch College/CUNY.

The Nonprofit Quality Reporting Project was made possible by grants from Alcoa Foundation, The George Gund Foundation, The William & Flora Hewlett Foundation, Lilly Endowment, Inc., and Sears, Roebuck and Co.

6. Copies of Form 990s have long been available to the public through IRS. However, since 1988, federal law also requires nonprofits to make their 990s *available for inspection by anyone on request*.
7. More states are requiring that all fundraising appeal literature state that *copies of Form 990s and state reports are available on request* -- from the nonprofits and from the state agencies.
8. Last year, the Pennsylvania state government established an 800 number the public can use for obtaining data from Form 990s. Pennsylvania law now requires that the 800 number be printed on solicitation materials.
9. Sixty-six percent of the nonprofits surveyed in Phase 1 of the Project indicated that *grantmakers are now asking for Form 990s*. A grantmaker contacted by Project staff recently surveyed five other funders regarding their use of Form 990s. Four of the six funders including his own foundation ask for 990s and two indicated that Form 990 data had influenced grant decisions in the last year.
10. One state charity official reports that *even banks and credit reporting agencies* are beginning to find Form 990s useful.

It is important to understand that Form 990s are intended to be used together with -- not in lieu of -- annual reports and audited financial statements when available. Further, Form 990 is designed mostly for charitable organizations that get a large proportion of income from contributions. For many nonprofits, contributions are a very small proportion of income or are not a part of income at all.

In summary, taking Form 990 seriously is an integral part of:

- taking the law seriously;
- taking ethics and public accountability seriously;
- taking industry statistics seriously;
- taking nonprofit policy making seriously;
- taking the media and public credibility seriously;
- taking donors' use of Form 990 seriously.

Nonprofit sector leaders that take one or more of these things seriously will have a special interest in getting their nonprofit constituents to take Form 990 more seriously.

The fundraising profession should take Form 990 seriously because of its special interest in ethics, accountability, and the increasing use of Form 990 by donors and the media.

Auditors and financial officers of nonprofits have professional as well as operational responsibilities to assure that the Form 990s of the nonprofits they serve are accurate and complete.

Individuals and organizations interested in taking Form 990 more seriously can do a number of things.

1. They can make sure the Form 990s of organizations with which they are associated are correct and complete.
2. They can put discussion of all aspects of Form 990 preparation *and use* on the agendas of committees dealing with the media, public disclosure, stewardship, legislation, standards and ethics, professional education, data bases on nonprofits, industry statistics, research, accounting issues and software, paperwork simplification and reduction, etc.
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IRS Form 990

including

Schedule A

IRS Form 990 and its instructions are a useful reference for NPOs. For example, the IRS Form 990 line item instructions are the equivalent of comprehensive definitions for those line items and terms covered. The form and instructions are available from the Internal Revenue Service. Please note that IRS Form 990 and IRS Form 990, Schedule A are federal documents and are updated annually. These forms are included in this manual for illustrative purposes only.

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-0047

2002

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2002 calendar year, or tax year beginning , 2002, and ending , 20

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization

Number and street (or P.O. box if mail is not delivered to street address) Room/suite

City or town, state or country, and ZIP + 4

D Employer identification number

E Telephone number

()

F Accounting method: ☐ Cash ☐ Accrual
☐ Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? ☐ Yes ☐ No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☐ No

(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☐ No

I Enter 4-digit GEN ▶

M Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Web site: ▶

J Organization type (check only one) ▶ ☐ 501(c) () ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527K Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.


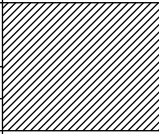
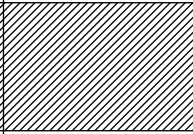




L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions.)

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Direct public support			1a
	b	Indirect public support			1b
	c	Government contributions (grants)			1c
	d	Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)			1d
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2
	3	Membership dues and assessments			3
	4	Interest on savings and temporary cash investments			4
	5	Dividends and interest from securities			5
	6a	Gross rents			6a
	b	Less: rental expenses			6b
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c
Expenses	7	Other investment income (describe ▶)			7
	8a	(A) Securities		(B) Other	
		Gross amount from sales of assets other than inventory		8a	
	b	Less: cost or other basis and sales expenses		8b	
	c	Gain or (loss) (attach schedule)		8c	
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))		8d	
	9	Special events and activities (attach schedule)			
	a	Gross revenue (not including \$ _____ of contributions reported on line 1a)			9a
	b	Less: direct expenses other than fundraising expenses			9b
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c
	10a	Gross sales of inventory, less returns and allowances			10a
	b	Less: cost of goods sold			10b
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	
Net Assets	11	Other revenue (from Part VII, line 103)			11
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12
	13	Program services (from line 44, column (B))			13
	14	Management and general (from line 44, column (C))			14
	15	Fundraising (from line 44, column (D))			15
Net Assets	16	Payments to affiliates (attach schedule)			16
	17	Total expenses (add lines 16 and 44, column (A))			17
	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19
	20	Other changes in net assets or fund balances (attach explanation)			20
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 21 of the instructions.)

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>			(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	22				
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule).	24				
25	Compensation of officers, directors, etc.	25				
26	Other salaries and wages	26				
27	Pension plan contributions	27				
28	Other employee benefits	28				
29	Payroll taxes	29				
30	Professional fundraising fees	30				
31	Accounting fees	31				
32	Legal fees	32				
33	Supplies	33				
34	Telephone	34				
35	Postage and shipping	35				
36	Occupancy	36				
37	Equipment rental and maintenance	37				
38	Printing and publications	38				
39	Travel	39				
40	Conferences, conventions, and meetings	40				
41	Interest	41				
42	Depreciation, depletion, etc. (attach schedule)	42				
43	Other expenses not covered above (itemize): a	43a				
b	43b				
c	43c				
d	43d				
e	43e				
44	Total functional expenses (add lines 22 through 43). <i>Organizations completing columns (B)-(D), carry these totals to lines 13-15</i>	44				

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☐ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See page 24 of the instructions.)

What is the organization's primary exempt purpose? ▶ _____		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a	_____ _____ _____ (Grants and allocations \$ _____)	
b	_____ _____ _____ (Grants and allocations \$ _____)	
c	_____ _____ _____ (Grants and allocations \$ _____)	
d	_____ _____ _____ (Grants and allocations \$ _____)	
e	Other program services (attach schedule) (Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	

Part IV Balance Sheets (See page 24 of the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year	(B) End of year
Assets	45 Cash—non-interest-bearing		45
	46 Savings and temporary cash investments		46
	47a Accounts receivable 47a		47c
	b Less: allowance for doubtful accounts 47b		47c
	48a Pledges receivable 48a		48c
	b Less: allowance for doubtful accounts 48b		48c
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50
	51a Other notes and loans receivable (attach schedule). 51a		51c
	b Less: allowance for doubtful accounts 51b		51c
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges		53
	54 Investments—securities (attach schedule). <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54
	55a Investments—land, buildings, and equipment: basis 55a		55c
	b Less: accumulated depreciation (attach schedule). 55b		55c
56 Investments—other (attach schedule)		56	
57a Land, buildings, and equipment: basis 57a		57c	
b Less: accumulated depreciation (attach schedule). 57b		57c	
58 Other assets (describe ► _____)		58	
59 Total assets (add lines 45 through 58) (must equal line 74)		59	
Liabilities	60 Accounts payable and accrued expenses		60
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees (attach schedule).		63
	64a Tax-exempt bond liabilities (attach schedule)		64a
	b Mortgages and other notes payable (attach schedule)		64b
	65 Other liabilities (describe ► _____)		65
66 Total liabilities (add lines 60 through 65)		66	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted		67
	68 Temporarily restricted		68
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21).		73
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)		74

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 26 of the instructions.)

a	Total revenue, gains, and other support per audited financial statements . . . ▶	a	
b	Amounts included on line a but not on line 12, Form 990:	a	
(1)	Net unrealized gains on investments . . . \$ _____		
(2)	Donated services and use of facilities \$ _____		
(3)	Recoveries of prior year grants . . . \$ _____		
(4)	Other (specify): _____ _____ \$ _____		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	
d	Amounts included on line 12, Form 990 but not on line a :	c	
(1)	Investment expenses not included on line 6b, Form 990 . . . \$ _____		
(2)	Other (specify): _____ _____ \$ _____		
	Add amounts on lines (1) and (2) ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) . . . ▶	e	

Part IV-B	Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
------------------	---

a	Total expenses and losses per audited financial statements . . . ▶	a	
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$ _____		
(2)	Prior year adjustments reported on line 20, Form 990 \$ _____		
(3)	Losses reported on line 20, Form 990 . . . \$ _____		
(4)	Other (specify): _____ _____ \$ _____		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	
d	Amounts included on line 17, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990 . . . \$ _____		
(2)	Other (specify): _____ _____ \$ _____		
	Add amounts on lines (1) and (2) ▶	d	
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	

Part V **List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see page 26 of the instructions.)

[illegible]

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? **►** ☐ **Yes** ☐ **No**
If "Yes," attach schedule—see page 26 of the instructions.

Part VI Other Information (See page 27 of the instructions.)

	Yes	No
76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	
b If "Yes," has it filed a tax return on Form 990-T for this year?	78b	
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	
b If "Yes," enter the name of the organization ▶ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a Enter direct or indirect political expenditures. See line 81 instructions 81a		
b Did the organization file Form 1120-POL for this year?	81b	
82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b		
83a Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	
84a Did the organization solicit any contributions or gifts that were not tax deductible?	84a	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b	
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c Dues, assessments, and similar amounts from members 85c		
d Section 162(e) lobbying and political expenditures 85d		
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e		
f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f		
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12 86a		
b Gross receipts, included on line 12, for public use of club facilities. 86b		
87 501(c)(12) orgs. Enter: a Gross income from members or shareholders. 87a		
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b		
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	
89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4912 ▶ ; section 4955 ▶		
b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction.	89b	
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958. ▶		
d Enter: Amount of tax on line 89c, above, reimbursed by the organization. ▶		
90a List the states with which a copy of this return is filed ▶		
b Number of employees employed in the pay period that includes March 12, 2002 (See instructions.) 90b		
91 The books are in care of ▶ Telephone no. ▶ (.) Located at ▶ ZIP + 4 ▶		
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92		

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions.)

		Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
		(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93	Program service revenue:					
a						
b						
c						
d						
e						
f	Medicare/Medicaid payments					
g	Fees and contracts from government agencies					
94	Membership dues and assessments					
95	Interest on savings and temporary cash investments					
96	Dividends and interest from securities					
97	Net rental income or (loss) from real estate:					
a	debt-financed property					
b	not debt-financed property					
98	Net rental income or (loss) from personal property					
99	Other investment income					
100	Gain or (loss) from sales of assets other than inventory					
101	Net income or (loss) from special events					
102	Gross profit or (loss) from sales of inventory					
103	Other revenue: a					
b						
c						
d						
e						
104	Subtotal (add columns (B), (D), and (E))					
105	Total (add line 104, columns (B), (D), and (E)).					

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 32 of the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 of the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ **Yes** ☐ **No**
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ **Yes** ☐ **No**

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature of officer		Date	
Paid Preparer's Use Only	Type or print name and title.			
	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. W)
	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN		
	Phone no.			



SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

OMB No. 1545-0047

2002

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization	Employer identification number
--------------------------	--------------------------------

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
.....				
.....				
.....				
.....				
.....				
.....				
Total number of other employees paid over \$50,000 ▶				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
.....		
.....		
.....		
.....		
.....		
Total number of others receiving over \$50,000 for professional services ▶		

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.)		
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		
b Lending of money or other extension of credit?		
c Furnishing of goods, services, or facilities?		
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		
e Transfer of any part of its income or assets?		
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below.) . . .		
4 Do you have a section 403(b) annuity plan for your employees?		
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments.		

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions.)The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ►
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 ☐ An organization that normally receives: (1) more than 33⅓% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33⅓% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.***Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) . ▶	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf.					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22.					
24 Line 23 minus line 17.					
25 Enter 1% of line 23					
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24. . . . ▶					26a
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶					26c
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ ▶					26d
e Public support (line 26c minus line 26d total) ▶					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					26f %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2001) _____ (2000) _____ (1999) _____ (1998) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2001) _____ (2000) _____ (1999) _____ (1998) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶					27c
d Add: Line 27a total _____ and line 27b total _____ ▶					27d
e Public support (line 27c total minus line 27d total). ▶					27e
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e). ▶					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) . ▶					27h %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	31	
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?	33a	
b Admissions policies?	33b	
c Employment of faculty or administrative staff?	33c	
d Scholarships or other financial assistance?	33d	
e Educational policies?	33e	
f Use of facilities?	33f	
g Athletic programs?	33g	
h Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)(To be completed **ONLY** by an eligible organization that filed Form 5768)Check **a** ☐ if the organization belongs to an affiliated group. Check **b** ☐ if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39).	40	
41	Lobbying nontaxable amount. Enter the amount from the following table—		
If the amount on line 40 is— The lobbying nontaxable amount is—			
Not over \$500,000 20% of the amount on line 40.			
Over \$500,000 but not over \$1,000,000 . . \$100,000 plus 15% of the excess over \$500,000			
Over \$1,000,000 but not over \$1,500,000 . \$175,000 plus 10% of the excess over \$1,000,000		41	
Over \$1,500,000 but not over \$17,000,000 . \$225,000 plus 5% of the excess over \$1,500,000			
Over \$17,000,000 \$1,000,000			
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ►	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount.					
46 Lobbying ceiling amount (150% of line 45(e)).					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e)).					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers.			
b Paid staff or management (Include compensation in expenses reported on lines c through h .)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h .)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Section 11

The Tennessee Division of Charitable Solicitations Requirements

Annual Reporting Requirements to the Secretary of State	11-1
Who Needs to Register as a Charitable Organization?	11-2
Are There Any Exclusions?	11-2
What Activities Constitute Soliciting?	11-2
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ANNUAL REPORTING REQUIREMENTS TO THE SECRETARY OF STATE, DIVISION OF CHARITABLE SOLICITATIONS

Requirement #1-B (from Section 1): *The organization must use the same policies, procedures, and methods for all accounting, including cost allocation, and for all financial reporting, including grant reporting to State funding agencies, annual reporting to the Tennessee Secretary of State, Division of Charitable Solicitations, (including IRS Form 990), and general purpose financial reporting.*

Requirement #1-D (from Section 1): *The organization must be in compliance with all applicable federal, state, and local laws and regulations including laws and regulations regarding government funding policies, IRS regulations regarding an organization's nonprofit tax exempt status, and State of Tennessee regulations regarding registration and annual reporting with the Secretary of State, Division of Charitable Solicitations.*

We have included at the end of this section reduced copies of the forms from the Tennessee Secretary of State, Division of Charitable Solicitations (pages 11-5 through 11-13).

These forms are provided for illustrative purposes to identify the forms required by the Division of Charitable Solicitations. The actual forms to be filled out by your organization should be obtained through:

Secretary of State
Division of Charitable Solicitations
Suite 1700, James K. Polk State Office Building
Nashville, TN 37243-0308

or

<http://www.state.tn.us/sos/soshmpg.htm>

The Division of Charitable Solicitations has prepared a list of the “Most Frequent Reasons for Rejection of Documents and Delay in Registration” in order to help expedite your filing process. This list has been reproduced later in this section.

Following are various questions taken directly from the division’s brochure to assist you in determining if your agency is required to file with the Division of Charitable Solicitations:

Who Needs to Register as a Charitable Organization?

Any organization which solicits or receives donations from the [public] totaling \$30,000 or more to be used for charitable purposes.

Are There Any Exclusions?

Bona fide religious organizations which are not required to file a return with the IRS; schools, their booster clubs, parent organizations and such groups affiliated with the schools; volunteer fire departments, rescue squads and local civil defense organizations; and, organizations which do not raise or intend to raise more than \$30,000 in gross contributions from the general public during their fiscal year.

What Activities Constitute Soliciting?

Any activity in which funds are raised from the general public on behalf of a charitable organization. This includes asking for donations or selling items such as sponsorships, advertisements, books, food, tickets to a show, etc.

Where Does a Charitable Organization Register?

Registration applications are filed with the Division of Charitable Solicitations, Suite 1700, James K. Polk State Office Building, Nashville, TN 37243-0308. For more information, call (615) 741-2555.

How Does a Charitable Organization Register?

Complete the application.

- Answer every question fully.
- Have the application notarized.
- Submit with it a copy of your organization's bylaws, a copy of the IRS tax exempt determination letter, and a copy of your corporate charter, if your organization is incorporated.

Complete the Summary of Financial Activities form (SFA).

- Report the income and expenses of your most recent fiscal year.
- It must be completed in accordance with the organization's IRS Form 990.
- Copies of the IRS Form 990 must be attached to the SFA when it is submitted. If the organization's gross revenue exceeds \$250,000, an audited financial statement must also be filed.

Submit the completed application and SFA with the appropriate fee.

- Initial filing fee is \$50
- Subsequent annual fees are based on a sliding scale as shown:

<u>Organization's Gross Revenue</u>	<u>Annual Fee</u>
\$0 - \$48,999.99	\$100
\$49,000 - \$99,999.99	\$150
\$100,000 - \$249,999.99	\$200
\$250,000 - \$499,999.99	\$250
\$500,000 - Above	\$300

- Your organization must maintain fiscal records for at least three (3) years from the end of your registration period. These records shall be available for inspection by representatives of the Secretary of State or Attorney General, upon request.

All registrations must be renewed by the organization's anniversary date.

- The anniversary date is the last day of the sixth (6th) month following the close of the organization's fiscal year.

- Annual renewal of an organization's registration is basically completion of the same process as the initial registration.
- Any organization failing to renew will be in violation of the Charitable Solicitations Act (TCA 48-101-501 *et seq.*).

**MOST FREQUENT REASONS FOR REJECTION
OF DOCUMENTS AND DELAY IN REGISTRATION**

- Incorrect filing fee. All applications received for filing must be accompanied by the appropriate filing fee.
- Listing a solicitation period in excess of one year.
- Failing to complete all lines on form.
- Failing to sign forms or reports.
- Forms submitted with notarization and signatures on different dates.
- Failure to timely submit IRS Form 990.
- Figures on financial summary form (SFA) cannot be verified by IRS Form 990.
- Failure to submit copy of IRS determination letter or copy of application for recognition of tax exempt status.
- Failure to provide authorization for use of assumed name (DBA).
- Failure to submit bond (Professional Solicitor, Fundraising Counsel).
- Failure to submit bond continuation confirmation. (Professional Solicitor, FRC).
- Failure to submit governing documents (charter, bylaws, constitution).
- Applications or reports received without signature of a second officer.



Department of State
Charitable Solicitations
312 8th Avenue North
8th Floor, William R. Snodgrass Tower
Nashville, TN 37243-0308
(615) 741-2555

WARNING: False or misleading statements
subject to maximum \$5,000 penalty. T.C.A. §48-101-514

APPLICATION FOR REGISTRATION OF A CHARITABLE ORGANIZATION

INSTRUCTIONS: Please type or print all items on this form which are applicable to your organization. If you are unable to answer in the space provided, you may attach additional sheets. Indicate that an item does not apply by placing N/A by its number. A **nonrefundable** registration fee must accompany this application. The amount of the filing fee is as follows:

- ☐ Initial application. \$50.00 Filing Fee
☐ Renewal of Registration. (Based on gross revenue from all sources.)

Organization's Gross Revenue	Annual Filing Fee
0 - \$48,999.99	\$100.00
\$49,000 - \$99,999.99	\$150.00
\$100,000 - \$249,999.99	\$200.00
\$250,000 - \$499,999.99	\$250.00
\$500,000 - and above	\$300.00

OFFICE USE ONLY

Reg. No. _____ Date Rec'd. _____

Fee Pd. _____

Rec. No. _____



1. A. Name of organization: _____
B. Federal Employer Identification Number: _____
C. Address of principal office. (Include Street, City, County, State, Zip Code) _____
D. If organization does not maintain an office, give the name and address of the person having custody of its financial records. _____
E. Mailing address, if different from principal office. _____
F. Telephone Number: _____ Fax Number: _____ E-Mail Address: _____
G. Does organization have other offices in the state of Tennessee?
If the answer is "Yes", list addresses below: (Include Street, City, State, Zip Code)
1. _____
2. _____
3. _____
H. If you solicit contributions under any name(s) other than that shown in 1.A., indicate name(s) below:
1. _____
2. _____

Attach copies of document(s) authorizing your solicitation of contributions under name(s) shown above. ☐

2. A. List the name, title, address, telephone number and date of birth for all officers, trustees and directors of organization. (List chief salaried officer first.)
Name (Last Name, First Name, M.I.) Title Address (Include Street, City, State, Zip Code) Phone Date of Birth
1. _____
2. _____
3. _____
4. _____

- B. Attach a ten-year employment history of the organization's "control" or "key" person(s). "Control" or "key" persons are persons in control of the day-to-day operation of the organization. ☐

3. Describe the purpose of the organization. ☐

4. A. Legal entity of organization. ☐ Corporation ☐ Partnership ☐ Association ☐ Other (Specify) _____

B. When and where was legal entity organized? Date: _____ City: _____ State: _____

C. Beginning and ending dates for fiscal year of organization. _____ ☐

5. A. If this is your organization's initial registration, please attach a copy of your charter, bylaws or other similar governing document. Initial copy attached ☐ N/A ☐

B. Attach a copy of any amendments to your organization's corporate charter, bylaws or other governing document. ☐

6. Has organization ever received tax exemption from Internal Revenue Service? Yes ☐ No ☐

A. If the answer is "Yes", the date original Internal Revenue Service tax exempt status granted. _____ Date (Month, Day, Year)

B. Has your tax exempt status classification(s) ever been revoked by the Internal Revenue Service? Yes ☐ No ☐

If "Yes", attach a copy of letter of revocation and a written summary of the basis of the revocation.

C. If you have applied for a tax exempt classification with the Internal Revenue Service, but have not received a final determination letter:

(1) Attach copy of application. Yes ☐ N/A ☐

(2) Attach copy of Internal Revenue Service letter acknowledging receipt of application. Yes ☐

7. A. List all Chapters, Branches, & Affiliates of Organization which are located in Tennessee.

Name of Chapter, Branch or Affiliate Street, City, State, Zip Code

1. _____
2. _____
3. _____

- B. Are you registering and reporting the Financial Activities for this agency?

Yes ☐ No ☐

Yes ☐ No ☐

Yes ☐ No ☐

- C. List name, title, & phone number of the Chief Executive Officer of each agency you checked "No" in 7.B.

Last Name First Name Title Phone #

1. _____
2. _____
3. _____ ☐

8. A. Is organization currently registered in any other state(s)? B. If "yes," which state(s)?	<input type="checkbox"/>
9. A. What is the name and address of your parent or national organization? _____ B. List the Chief Executive Officer of your parent or national organization. <i>Full Name (Last Name, First Name, M.I. and Title)</i>	<input type="checkbox"/>
10. A. Is organization currently authorized by any Tennessee Municipal authority to solicit contributions? Yes <input type="checkbox"/> No <input type="checkbox"/> B. If answer is "Yes", list the municipal authorities:	<input type="checkbox"/>
11. A. Has organization ever been enjoined or prohibited from soliciting contributions? Yes <input type="checkbox"/> No <input type="checkbox"/> B. If answer is "Yes", attach a detailed explanation Explanation attached. <input type="checkbox"/>	<input type="checkbox"/>
12. A. Has any officer, director, manager, operator, principal or control person of the organization been the subject of an injunction, judgment or administrative order or been convicted of a felony? Yes <input type="checkbox"/> No <input type="checkbox"/> B. If answer to is "Yes", attach a detailed explanation Explanation attached. <input type="checkbox"/>	<input type="checkbox"/>
13. A. Indicate method(s) by which solicitations will be made in Tennessee: Personal Contact <input type="checkbox"/> Mail <input type="checkbox"/> Telephone <input type="checkbox"/> Volunteers <input type="checkbox"/> Radio/Television Appeals <input type="checkbox"/> Members <input type="checkbox"/> Professional Solicitor <input type="checkbox"/> Fund Raising Counsel <input type="checkbox"/> Vendor <input type="checkbox"/> Internet Address <input type="checkbox"/> Other(s) (Specify) <input type="checkbox"/> B. List names, addresses and phone numbers of any professional solicitor, fund raising counsel, vendor or any other person(s) who, for financial or other consideration, is engaged in solicitation activities on behalf of your organization. <i>Full Name (Last Name, First Name, M.I.) Address (Include Street, City, State, Zip) Phone</i>	<input type="checkbox"/>
C. Attach a true copy of any contract or agreement with any professional solicitor, fund raising counsel, vendor or any other person(s) involved with the solicitation of contributions. Number of contracts attached:	<input type="checkbox"/>
14. A. List names, addresses and phone numbers of all individuals who have final responsibility for custody of contributions. <i>Full Name (Last Name, First Name, M.I.) Address (Include Street, City, State, Zip) Phone</i>	<input type="checkbox"/>
B. List all bank names and addresses where solicited funds will be deposited. <i>Full Name Address (Include Street or Rural Route, City, State, Zip)</i>	<input type="checkbox"/>
15. List names, addresses and phone numbers of all individuals responsible for final distribution of contributions. <i>Full Name (Last Name, First Name, M.I.) Address (Include Street, City, State, Zip) Phone</i>	<input type="checkbox"/>
16. For what purpose will contributions be used? (Be Specific)	<input type="checkbox"/>

SIGNATURE SECTION

This document must be signed by two separate authorized officers in the presence of a Notary Public. Two signatures from the same individual cannot be accepted.

I/We certify that the information furnished in this application and all continuation sheets is true and correct to the best of my/our knowledge. Additionally, I/We understand that registration does not imply approval by the state of Tennessee and that any statement indicating otherwise is a violation of Tennessee law.

Signature of Authorized Officer _____ Date Signed _____ Charitable Organization Print Name _____ Title _____ <div style="text-align: center;">NOTARY SEAL</div> SWORN TO AND SUBSCRIBED BEFORE ME AT: _____ (County and State) This _____ Day of _____, 19____ Signature of Notary Public _____ My Commission Expires: _____	Signature of Authorized Officer _____ Date Signed _____ Charitable Organization Print Name _____ Title _____ <div style="text-align: center;">NOTARY SEAL</div> SWORN TO AND SUBSCRIBED BEFORE ME AT: _____ (County and State) This _____ Day of _____, 19____ Signature of Notary Public _____ My Commission Expires: _____
---	---



Department of State
Charitable Solicitations
312 8th Avenue North
8th Floor, William R. Snodgrass Tower
Nashville, TN 37243-0308
(615) 741-2555

WARNING: False or misleading statements
subject to maximum \$5,000 penalty.
T.C.A. § 48-101-514

**SUMMARY OF FINANCIAL
ACTIVITIES OF A
CHARITABLE ORGANIZATION**

OFFICE USE ONLY
Date Stamped

INSTRUCTIONS:

A charitable organization must use this form to report financial activities for its most recently completed fiscal year. Amounts entered below must correspond with entries on the organization's Internal Revenue Service Form 990. (*Refer to IRS Form 990 line items in parentheses*). This completed financial statement must be signed by two (2) separate authorized officers in the presence of a Notary Public and filed with the Secretary of State within six (6) months of the end of the fiscal year. A copy of the filed IRS Form 990, and any other forms required to be filed with the IRS, must accompany this form. Organizations with gross revenue in excess of three hundred thousand dollars (\$300,000) must also submit an audit report prepared by an independent public accountant or certified public accountant.

This form, including attachments, is a public record. A copy will be provided upon request to any interested persons.

Name of Organization:
Address:
Fiscal Year Ending: [If fiscal year has changed, mark (x)]
Federal ID# State ID# Telephone#

A. Gross Revenue

1. Public Contributions (*IRS Form 990, Lines 1a and 1b*) \$
2. Government grants (*Line 1c*) \$
3. Program service fees (*Line 2*) \$
4. Special events and activities (*Line 9a*) \$
5. Gross sales of inventory (*Line 10a*) \$
6. Other Revenue (*Lines 3, 4, 5, 6c, 7, 8d, 11*) \$
7. **Total Revenue** [add 1 through 6] \$

B. Expenses

Statement of Program Service Accomplishments

The organization's primary purpose

8. Program A (*Part III, a*) \$
9. Program B (*Part III, b*) \$
10. Program C (*Part III, c*) \$
11. Other Program Services (*Part III, d&e*) \$
12. Total Program Expenses [add 8 thru 11] (*Line 13&Part III, f*) \$
13. Direct Expenses from Special Events (*Line 9b*) \$
14. Cost of goods sold (*Line 10b*) \$
15. Management and general expenses (*Line 14*) \$
16. Fund raising expenses (*Line 15*) \$
17. Payments/services to affiliates (*Line 16*) \$
18. **Total Expenses** [add 12 thru 17] \$
19. **Excess/Deficit for the year** [7 minus 18] (*Line 18*) \$

C. Changes in Net Assets or Fund balances

20. Net assets/fund balances at beginning of year (*Line 19*) \$
21. Other changes in net assets or fund balances (*Line 20*) \$
22. **Net assets/fund balances** [add 19 thru 21] (*Lines 21&73*) ... \$
23. Total assets (*Line 59*) \$
24. Total liabilities (*Line 66*) \$
25. **Net assets/fund balances** [23 minus 24] (*Lines 21&73*) \$

ACCOUNTING METHOD USED:

CASH: _____ ACCRUAL: _____ OTHER: _____

Part II. REPORTING JOINT COSTS OF MULTI-PURPOSE ACTIVITIES

Lines (A), (B), and (C) pertain to the joint allocation of costs associated with fund raising. This section must be completed if your organization allocates the costs of multipurpose activities between program services, management and general, and fund raising.

- A. Did you report in "PROGRAM SERVICES" any joint costs from a combined educational and fund raising campaign? ☐ Yes ☐ No
- B. If "Yes", enter the total amount before any allocation of these joint costs \$ _____; (1) the amount allocated to "Program Services" \$ _____; (2) the amount allocated to "Administrative" \$ _____; (3) the amount allocated to "Fund Raising" \$ _____.
- C. What was the method used to determine the joint allocation categorization?

Part III. PROFESSIONAL SOLICITORS/FUND RAISING COUNSEL

- A. What is the total amount your organization paid to any professional solicitor?
\$ _____ to any professional fund raising counsel? \$ _____

I/We certify that the information furnished in this summary and all supplemental forms, documents and continuation sheets is true and correct to the best of my/our knowledge.

Signature of Authorized Officer

(Print Name)

Title

Date Signed

NOTARY SEAL

SWORN TO AND SUBSCRIBED BEFORE ME AT:

(City, State)

This _____ Day of _____, 20____

Signature of Notary Public

My Commission Expires: _____

Signature of Chief Fiscal Officer
or other Authorized Officer

(Print Name)

Title

Date Signed

NOTARY SEAL

SWORN TO AND SUBSCRIBED BEFORE ME AT:

(City, State)

This _____ Day of _____, 20____

Signature of Notary Public

My Commission Expires: _____



Department of State
Charitable Solicitations
312 Eighth Avenue North
8th Floor, William R. Snodgrass Tower
Nashville, TN 37243-0308
(615) 741-2555

WARNING: Falsification or misleading statements
subject to maximum \$5,000 penalty.
T.C.A. § 48-101-514

**NEW CHARITABLE ORGANIZATION
QUARTERLY FINANCIAL REPORT
(UNAUDITED)**

OFFICE USE ONLY

Date Stamped

INSTRUCTIONS:

T.C.A. § 48-101-504(c) requires all new charitable organizations, subject to T.C.A. § 48-101-501 et seq., to file quarterly financial reports with the Secretary of State during the first fiscal year of operation. These reports are due within thirty (30) days after the end of each quarter. Each report must be signed by two separate individual authorized officers in the presence of a notary public.

If your first fiscal year began prior to registering with this office, the quarterly reports for periods ended more than thirty (30) days prior to registering are due upon making application.

COMPLETE NAME OF ORGANIZATION:

REGISTRATION NUMBER:

FINANCIAL PERIOD:

☐ 1ST QUARTER

☐ 2ND QUARTER

☐ 3RD QUARTER

☐ 4TH QUARTER

TO

MONTH

DAY

YEAR

MONTH

DAY

YEAR

ACCOUNTING METHOD USED:

CASH: _____ ACCRUAL: _____ OTHER: _____

REVENUE:

GROSS CONTRIBUTIONS:

1. _____ \$ _____

2. _____ \$ _____

TOTAL CONTRIBUTIONS: _____ \$ _____

OTHER REVENUE:

1. _____ \$ _____

2. _____ \$ _____

TOTAL OTHER REVENUE: _____ \$ _____

TOTAL REVENUE: _____ \$ _____

EXPENSES:

PROGRAM SERVICES OR OTHER
CHARITABLE PURPOSES:

1. _____ \$ _____

2. _____ \$ _____

TOTAL PROGRAM OR CHARITABLE SERVICES: _____ \$ _____

PROFESSIONAL SOLICITOR FEES: _____ \$ _____

OTHER FUND RAISING: _____ \$ _____

ADMINISTRATIVE: _____ \$ _____

OTHER: (ATTACH SCHEDULE) _____ \$ _____

TOTAL EXPENSES: _____ \$ _____

NUMBER OF CONTINUATION PAGES ATTACHED: _____	
TWO DIFFERENT AUTHORIZED OFFICERS OF THE NEW CHARITABLE ORGANIZATION MUST SIGN THIS FINANCIAL REPORT IN THE PRESENCE OF A NOTARY PUBLIC. TWO SIGNATURES FROM THE SAME INDIVIDUAL CAN NOT BE ACCEPTED.	
I/WE CERTIFY THAT THE INFORMATION FURNISHED IN THIS FINANCIAL REPORT AND CONTINUATION SHEETS IS TRUE AND CORRECT TO THE BEST OF MY/OUR KNOWLEDGE. ADDITIONALLY, I/WE UNDERSTAND THAT REGISTRATION DOES NOT IMPLY APPROVAL BY THE STATE OF TENNESSEE AND THAT ANY STATEMENT INDICATING OTHERWISE IS A VIOLATION OF TENNESSEE LAW.	
<div style="display: flex; justify-content: space-between; margin-bottom: 10px;"> <div style="width: 60%;"> _____ Signature of Authorized Officer Charitable Organization </div> <div style="width: 35%;"> _____ Date Signed </div> </div> <div style="margin-bottom: 10px;"> _____ Print Name </div> <div style="margin-bottom: 10px;"> _____ Title </div> <div style="text-align: center; margin-bottom: 10px;"> NOTARY SEAL </div> <div style="margin-bottom: 10px;"> SWORN TO AND SUBSCRIBED BEFORE ME AT: _____ </div> <div style="margin-bottom: 10px;"> This _____ Day of _____, 19____ </div> <div style="margin-bottom: 10px;"> _____ Signature of Notary Public </div> <div> My Commission Expires: _____ </div>	<div style="display: flex; justify-content: space-between; margin-bottom: 10px;"> <div style="width: 60%;"> _____ Signature of Authorized Officer Charitable Organization </div> <div style="width: 35%;"> _____ Date Signed </div> </div> <div style="margin-bottom: 10px;"> _____ Print Name </div> <div style="margin-bottom: 10px;"> _____ Title </div> <div style="text-align: center; margin-bottom: 10px;"> NOTARY SEAL </div> <div style="margin-bottom: 10px;"> SWORN TO AND SUBSCRIBED BEFORE ME AT: _____ </div> <div style="margin-bottom: 10px;"> This _____ Day of _____, 19____ </div> <div style="margin-bottom: 10px;"> _____ Signature of Notary Public </div> <div> My Commission Expires: _____ </div>



State of Tennessee



Department of State

Division of Charitable Solicitations

312 Eighth Avenue North

8th Floor, William R. Snodgrass Tower

Nashville, TN 37243

(615) 741-2555

WARNING: False or misleading statements

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EXEMPTION REQUEST

INSTRUCTIONS: (1) Complete Part A; (2) Complete *only one* section in Part B; (3) Attach all required documents (*failure to do so may result in the denial of your request*); (4) Two authorized officers must sign the form in the presence of a Notary Public; and (5) Return the form to the Division of Charitable Solicitations.

PART A:

Name of Organization: _____ FEIN: _____

Physical Address: (Street) _____ (City) _____ (State) _____ (Zip) _____

Mailing Address (if different): (Street) _____ (City) _____ (State) _____ (Zip) _____

Telephone Number: (____) _____ Fax Number: (____) _____ Email Address: _____

If you solicit contributions under any name(s) other than shown above, indicate name(s) below:

(Name) _____

(Name) _____

Have you applied to the IRS for tax exemption? Yes ☐ (Attach IRS Letter of Determination or Application) No ☐

Mission Statement: _____

PART B:

Section 1: ANNUAL GROSS REVENUE FROM THE PUBLIC LESS THAN \$30,000

- ☐ Organization has not begun fundraising activities and does not intend to receive more than \$30,000 in gross revenue from the public during a fiscal year. (Attach proposed budget for fiscal year.)
- ☐ Organization did not receive more than \$30,000 in gross revenue from the public during its last fiscal year. (Submit copy of recently filed IRS Form 990 or complete attached "Summary of Financial Activities" form.)

Note: You must register with the Secretary of State within thirty (30) days if gross contributions from the public during any fiscal year exceed thirty thousand dollars.

Section 2: RELIGIOUS ORGANIZATIONS

- ☐ **Ecclesiastical or Denominational Organizations or Churches**
- Are you exempt from federal income tax? ☐ Yes ☐ No
 - Are religious services and activities held on a regular basis? ☐ Yes ☐ No
 - Are you required to file the IRS Form 990 if revenue exceeds \$25,000? ☐ Yes ☐ No
- ☐ **Integral Affiliated Organizations**
- Are you exempt from federal income tax? ☐ Yes ☐ No
 - Are you affiliated with an IRS §501(c)(3) organization? ☐ Yes ☐ No
If yes, name of organization: _____
 - Are you required to file the IRS Form 990 if revenue exceeds \$25,000? ☐ Yes ☐ No
(Attach copy of the IRS Determination Letter)
 - Does more than 50% of your support come from the organization with which you are affiliated? ☐ Yes ☐ No
- ☐ **Organization is soliciting contributions for the construction and maintenance of a house of worship or clergyman's residence.**

Section 3: VOLUNTEER FIRE DEPARTMENT, RESCUE SQUAD OR LOCAL CIVIL DEFENSE ORGANIZATION

☐ Volunteer Fire Department ☐ Rescue Squad ☐ Local Civil Defense Organization

Section 4: EDUCATIONAL INSTITUTIONS

- ☐ Organization is fully accredited educational institution operating exclusively for educational purposes.
Answer the following questions:
1. Are you organized and operated exclusively for educational purposes? ☐ Yes ☐ No
 2. Do you normally maintain a regular faculty and curriculum? ☐ Yes ☐ No
 3. Do you have a regularly enrolled body of pupils or students in attendance at the place where your educational activities are regularly carried on? ☐ Yes ☐ No
 4. Is the organization accredited by a recognized accrediting agency? ☐ Yes ☐ No
(If "yes", please provide name of accrediting agency: _____).
- ☐ Organization is composed of parents of students and other persons connected with an accredited educational institution, which is operated for the purpose of conducting activities in support of the educational institution.
- ☐ Organization is a private foundation which solicits contributions exclusively for an accredited educational organization.
- ☐ Organization is a co-operative scholarship corporation.
-

SIGNATURES

We certify that the information furnished in this Request for Exemption (and all continuation sheets) is true and correct to the best of our knowledge.

<div style="display: flex; justify-content: space-between;"><div>Signature of Authorized Officer</div><div>Date Signed</div></div> <div style="border-top: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="text-align: center; margin-top: 5px;">Print Name (Clearly)</div> <div style="border-top: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="text-align: center; margin-top: 5px;">Title</div> <div style="text-align: center; margin-top: 5px;">NOTARY SEAL</div> <div style="margin-top: 5px;">Sworn to and subscribed before me (or to me personally known) at:</div> <div style="border-top: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="text-align: center; margin-top: 5px;">(County and State)</div> <div style="margin-top: 5px;">This the ____ day of _____ 200__</div> <div style="border-top: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="text-align: center; margin-top: 5px;">Signature of Notary Public</div> <div style="margin-top: 5px;">My Commission Expires: _____</div>	<div style="display: flex; justify-content: space-between;"><div>Signature of Authorized Officer</div><div>Date Signed</div></div> <div style="border-top: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="text-align: center; margin-top: 5px;">Print Name (Clearly)</div> <div style="border-top: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="text-align: center; margin-top: 5px;">Title</div> <div style="text-align: center; margin-top: 5px;">NOTARY SEAL</div> <div style="margin-top: 5px;">Sworn to and subscribed before me (or to me personally known) at:</div> <div style="border-top: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="text-align: center; margin-top: 5px;">(County and State)</div> <div style="margin-top: 5px;">This the ____ day of _____ 200__</div> <div style="border-top: 1px solid black; height: 20px; margin-top: 5px;"></div> <div style="text-align: center; margin-top: 5px;">Signature of Notary Public</div> <div style="margin-top: 5px;">My Commission Expires: _____</div>
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OFFICIAL USE ONLY

Auditor/Reviewer Initials: _____ Date Reviewed: _____
Documents Attached: _____
Comments: _____



FILING INSTRUCTIONS FOR REGISTRATION OF CHARITABLE ORGANIZATIONS

The following documents must be submitted with every registration application:

Application for Registration of a Charitable Organization (SS-6001)

- * If this is an initial registration, a \$50 fee must accompany your application. The fee for renewing a registration is based on an organization's gross revenue from all sources. If you are renewing your registration, please check the *revised* fee schedule on the application for the correct fee amount. Checks are payable to the Secretary of State.
- * Line 2: The date of birth and ten (10) year employment history of the organization's "control" or "key person(s)" "Control" or "key persons" are person(s) in control of the day-to-day operation of the organization.
- * All lines must be completed. Failure to complete a line item will delay approval of your registration application. Please indicate any line item that does not apply with the notation "Not Applicable" (N/A).
- * The application must contain the signature of two authorized officers of your organization and must be signed in the presence of a Notary Public. The officers must be separate individuals.

Summary of Financial Activities Form (SS-6002)

- * Charitable organizations that receive more than three hundred thousand dollars (\$300,000) in gross revenue during its fiscal year must submit a financial statement that has been audited by an independent certified public accountant in accordance with generally accepted auditing procedures. In addition, every organization that registers with this division must submit a copy of its filed IRS Form 990, or any forms required to be filed with the Internal Revenue Service.
- * This form must contain the notarized signature of two separate authorized officers of the organization, *one of whom shall be the chief fiscal officer.*
- * The above financial reports must contain information reflecting your organization's *most recent* fiscal year.
- * If you are a new organization and have not had any fiscal activity at the time of filing, you will be required to report your fiscal activity on a quarterly basis until you have completed a full fiscal year. The quarterly financial report forms will be mailed with your letter of registration. These reports are due in our office 30 days after the end of each fiscal quarter.

Additional Information Required If You Are A New Organization.

- * A copy of your organization's governing document which discloses the organization's purpose, organizational structure, membership provisions, and duties of the governing board. (If your organization is incorporated, please provide a copy of its corporate charter and bylaws.) Amendments to these documents must also be filed with the Division.
- * A copy of the Internal Revenue Service determination letter which grants your organization its tax exempt status.

